Supreme Court, U.S.
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In The

Supreme Court of the United States

October Term 1979

No. 79-812

OSMOSE WOOD PRESERVING CO., OF AMERICA, INC., et al.,

Petitioners

vs.

CITY OF LOS ANGELES, California, a municipal corporation,

Respondents.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

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PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

Petitioners pray that a writ of certiorari issue to review the Judgment of the United States Court of Appeals for the Ninth Circuit entered on September 17, 1979, affirming the Summary Judgment of the United States District Court for the Central District of California entered May 27, 1977.

Opinions Below

The opinion of the District Court was unreported and appears at Appendix 1 herein. The opinion of the United States Court of Appeals for the Ninth Circuit, presently unreported, appears at Appendix 2, herein.

Jurisdiction

The Judgment of the Ninth Circuit Court of Appeals was entered on September 17, 1979, and the Petition for a Writ of Certiorari was filed within 90 days of that date.

The jurisdiction of this Court is invoked under 28 U.S.C. § 1254(1).

Questions Presented

This Court in *Anderson's - Blackrock, Inc. v. Pavement Salvage Co.*, 396 U.S. 57 (1969) and again in *Sakraida v. Agpro, Inc.*, 425 U.S. 273 (1976), apparently ruled that a patented invention comprised of old elements must be held invalid unless such elements provide a synergistic result.

The Seventh Circuit Court of Appeals in *A.M.P., Inc. v. Bunker Ramo Corp.*, Appeal No. 79-1846, decided August 22, 1979, refused to apply the synergistic result requirement and instead ruled that obviousness should be determined *solely* in accordance with 35 U.S.C. 103.

The Ninth Circuit Court of Appeals in this case, held the patent in suit invalid *solely* for lack of a synergistic result without any regard for the provisions of 35 U.S.C. 103.

These decisions are in direct and irreconcilable conflict giving rise to the question:

> May a patent be held invalid for obviousness solely for lack of a synergistic result?

Statement of the Case

This is an action for infringement of U.S. Patent No. 3,027,610, filed June 4, 1958, and issued April 3, 1962 for a "Method of Protecting Timbers Against Marine Borer Attack". The patent is directed to a method of protecting installed, submerged wooden pilings against marine borer attack which essentially consists of securing a sheet of synthetic plastic material around the pile in reduced diameter condition to define a generally circumferential water-filled space between the pile and the sheet. Circulation between the space and the water surrounding the outside of the sheet is thereby so restricted as to maintain the water stagnant. The stagnant boundary layer is toxic to the marine borers in the pile, so as to kill such borers and stop further destruction of the pile.

The patented method permitted the life of installed piles to be increased many years even where such pilings had undergone serious marine borer attack. Replacement of weakened pilings is not only expensive, but requires temporary dismantling of the dock structures supported by such pilings. The patented

method provided for installation of the protective sheets on the submerged pilings without disturbing the structure supported by such pilings.

Originally, the defendant City of Los Angeles purchased plastic sheets and the fastening means therefor from plaintiff Osmose and utilized such material to carry out the patented method thereby successfully stopping marine borer attack on thousands of wooden pilings in the Port of Los Angeles. After the patented method had been proven, defendant copied such method, fabricating its own sheets and fastening members so as to infringe the patent in suit. The patented method has saved the Port of Los Angeles several million dollars.

Plaintiffs brought this action for patent infringement May 19, 1976. Defendant on December 20, 1976 filed a Motion for Summary Judgment seeking to have the patent in suit held invalid solely as being directed to a combination of elements which did not provide a synergistic result. Plaintiffs filed memoranda opposing defendant's motion for Summary Judgment. The hearing on defendant's motion for Summary Judgment took place April 18, 1977. At this hearing, the District Court held that the patented combination "does not produce any synergistic result. No inventive spark, no inventive genius is required", and granted defendant's motion for Summary Judgment, but pointed out that defendant's findings submitted with its motion for Summary Judgment were

"somewhat sketchy", and defendant was given an opportunity to enlarge them.

Pursuant to the District Court's suggestion, defendant's counsel prepared a completely new set of findings of fact and conclusions of law and a SUMMARY JUDGMENT. Defendant's new findings and conclusions were not limited solely to the question of synergism, as were defendant's original findings and conclusions, but instead additionally described in detail prior art, copies of which had not previously appeared in the record and had not even been seen by the District Court. Defendant's proposed conclusions charged plaintiff's patent in suit to be invalid not only as failing to provide a synergistic result, but also as being obvious in view of the newly-introduced prior art. Defendants' findings were adopted without change by the District Court holding the patent in suit invalid for obviousness not only for lack of synergism, but also for obviousness under 35 U.S.C. 103. Such findings were deficient, however, since they did not inquire into the factual questions set forth in *Graham v. Deere*, 383 U.S.1, i.e. the scope of the prior art, the difference between the prior art and the claims at issue, and the level of skill in the pertinent art.

An appeal to the Court of Appeals for the Ninth Circuit was filed June 18, 1977. The appeal was heard October 10, 1978. On September 17, 1979 the Appellate Court filed its MEMORANDUM affirming the

Summary Judgment granted by the District Court.

The Appellate Court's opinion completely ignored the aforementioned deficient obviousness findings of District Court based on 35 U.S.C. 103. Instead, the Appellate Court held the patent in suit to be obvious solely as being directed to a combination of old elements which failed to provide a synergistic result.

Reasons for Granting the Writ

This Writ should be granted to resolve the direct conflict between the Seventh and Ninth Courts of Appeals as to the propriety of holding a patent invalid for obviousness solely for lack of a synergistic result. A copy of the Seventh Circuit decision in *A.M.P., Inc., v. Bunker Ramo Corp.* appears at Appendix 3 hereto. In *A.M.P.*, just as in the present case, the District Court held the patent in suit invalid by means of a Summary Judgment solely for lack of a synergistic result without any consideration of the criteria set forth in *Graham v. Deere* for determining validity under the provisions of 35 U.S.C. 103. The Seventh Circuit Court of Appeals explicitly refused to find that synergism is a requirement for non-obviousness and reversed the Summary Judgment. More specifically, the Court held that it was an error for the District Court to find the patent invalid solely for lack of synergism, rather than making the factual inquiries required by *Graham v. Deere* under 35 U.S.C. 103. The Seventh Circuit in *A.M.P.* reaffirmed its refusal to require synergism as a requirement for non-obviousness set forth in *Republic Industries, Inc. v. Schlage Locks Co.*, 592 F.2d 963 (Feb. 1, 1979), specifically holding:

> "This court never intended that synergism be applied literally or that synergism is the sine quo non of patentability."

The Ninth Circuit Court of Appeals in this case just as explicitly ruled that synergism is required to find non-obviousness, completely ignoring the factual inquiries of *Graham v. Deere*, specifically holding:

> "Non-obviousness remains unachieved unless the result of the combination can be properly characterized as synergistic."

A comparison of the above pronouncements clearly establishes the square and irreconcilable conflict between the Seventh and Ninth Circuits as to the synergism requirement.

It should be further noted that the Second and Tenth Circuit Court of Appeals have recently indicated in dictum that they will no longer go along with this Court's synergism requirement. Instead, these circuits have now reverted to the pre *Anderson-Backrock* and *Sakraida* test for obviousness set forth in *Graham v. Deere*.

Thus, the Second Circuit in *Champion Spark Plug Co. v. Gyromat Corp.*, — F2d. —, 202 U.S. Patents Quarterly 785, 793 (July 2, 1979) stated:

> "Citing Sakraida v. Ag Pro, Inc., 425 U.S. 273, 189 USPQ 449 (1976), Champion argues that claims 5 and 6 of the Norris '276 patent simply define "an arrangement of old elements," each performing "the same function it had been known to perform," and that such combinations are not patentable. In the factual setting of the Sakraida case, we have no difficulty with the holding that the invention there involved was not patentable. However, we do not agree with what amounts to an oblique suggestion that the dicta in the Supreme Court's opinion overruled the statutory test of nonobviousness established by 35 U.S.C. § 103 along with the analytical guidelines for that test established in Graham v. John Deere Co."

Similarly, the Tenth Circuit Court of Appeals in *Plastic Container Corp. v. Continental Plastics of Oklahoma, Inc.*, — F.2d —, 203 U.S. Patents Quarterly 27, 43, stated:

> "The obviousness or nonobviousness of the Hall Reissue claims can then be determined in accordance with the analytical guidelines established by the Supreme Court in Graham v. John Deere Co., supra. We note that these guidelines do not require that, for a combination of known elements

> to be nonobvious, the result achieved by the combination must be synergistic."

The conflicting decisions of the Second, Seventh, Ninth and Tenth Circuits have and will continue to cause massive consternation among members of the Judiciary and of the Patent Bar. This chaos was caused by this Court and should be promptly resolved by this Court.

Conclusion

For the reasons set forth hereinabove, this Petition for Certiorari should be granted.

Respectfully submitted,

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APPENDIX

APPENDIX 1

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

Civil Action No. 76 1604 AAH

OSMOSE WOOD PRESERVING CO.
OF AMERICA, INC., et al,

Plaintiffs,

v.

CITY OF LOS ANGELES,

Defendant.

FINDINGS OF FACT AND CONCLUSIONS
OF LAW

DEFENDANT HAVING MOVED FOR SUMMARY JUDGMENT, briefs having been filed and oral arguments having been heard, the Court being advised in the premises, makes the following findings of fact and conclusions of law:

Findings of Fact

I.

Plaintiff, Osmose Wood Preserving Co. of America, Inc., is a corporation of the state of New York having a main place of business at 980 Ellicott Street, Buffalo, New York.

II.

Plaintiff, Harry W. Stiritz, Jr., Trustee of trust established by Declaration of Trust dated July 15, 1970 (Liddell trust), is a citizen of the United States residing in this district.

III.

Defendant, City of Los Angeles, operates the Port of Los Angeles, California, within this district.

IV.

This court has jurisdiction over the cause of action on file herein by reason of the provisions of § 1338 of Title 28, United States Code, this being a civil action arising under the Patent Laws of the United States.

V.

On April 3, 1962, United States Letters Patent No. 3,027,610 entitled Method Of Protecting Timbers Against Marine Borer Attack was issued to Orval E. Liddell.

VI.

Plaintiff, Harry W. Stiritz, Jr., Trustee of trust established by Declaration of Trust dated July 15,

1970 (Liddell trust) has exclusively licensed Osmose Wood Preservation Co. of America, Inc. to make, use and sell plastic pile wrappings under said patent No. 3,027,610.

VII.

The claims of the patent in suit each recite a combination of elements set forth as a series of steps.

VIII.

Claim 1 of the patent in suit defines a method of protecting against borer attack a partially submerged structure-bearing wooden pile, the upper end of which is obstructed, comprising: positioning a sheet of pliable substantially waterproof material alongside of a section of said pile to be protected, wrapping said sheet around said pile section to dispose opposite longitudinal edges of said sheet in substantial juxtaposition extending generally longitudinally of said pile, overlapping the opposite longitudinal edges of said sheet, drawing said sheet about said pile section to reduce the effective diameter enclosed by said sheet until said sheet engages said pile throughout a substantial portion of the length of said pile section, securing said sheet about said pile section in reduced diameter condition to define a generally circumferential water-filled space between said pile and said sheet, and retaining water within said space with circulation between said space and the water sur-

rounding said sheet being restricted to thereby maintain the water in said space stagnant to prevent marine borer attack on the submerged portion of said pile encased by said sheet.

IX.

Claim 2 is substantially identical to claim 1 except for the further provision of a step of forming a crater lower than the mud line adjacent the pile and lowering the sheet wrapped about the pile into the crater so formed.

X.

Claims 3 and 4 are also substantially identical with the addition of the step of stiffening the opposite longitudinal edges of the sheet of waterproof material.

XI.

The claims of the patent in suit define a combination wherein the whole does not contribute anything which is not contributed by the sum of the claim elements.

XII.

Plaintiffs admit the existence of prior art wherein sheets are wrapped about pilings, wherein a space exists between the sheets and the pilings and wherein

the entrance to that space is necessarily limited to prevent the entrance of marine borers.

XIII.

Sheathing around pilings is abundantly disclosed in the prior art: (1) a printed publication entitled *Extending Service Life of Wood Pilings in Sea Water* by Wakeman & Whiteneck, published in the American Society for Testing Materials, 1959, shows that stagnation is provided about a piling by the disclosure of the patent in suit. This same article shows a myriad of early devices for providing barriers positioned about wood piless; (2) United States Patent No. 511,372, showing a composite covering banded to a wooden pile, Exhibit A hereto; (3) United States Patent No. 395,866, discloses a metal sheeting held about a pile, Exhibit B hereto; (4) United States Patent No. 1,353,598, discloses a mechanism for holding sheet material about a post, Exhibit C hereto; United States Patent No. 2,181,526, to Upton, Exhibit D hereto, in column 1, beginning at line 36, states:

> "It is well known that when a pile as surrounded by sand or other divided inert material which will pack closely about a pile, circulation of water thereabout is checked and destrucutive animal life present in the pile is promptly eliminated, as the animals die upon the exclusion of of oxygen which would normally be brought to them by water circulating about the pile. Thus,

we find that the portion of a pile which is imbedded in the bottom is not attacked and likewise, if that portion of a pile extending from the bottom to the high water mark is surrounded by a column of sand which may be retained in position by a tubular member, the latter portion will also be preserved from attack by these marine worms, or, if the worms have been present in the pile they will die shortly after the application of the column of sand or simiar material."

XIV.

Defendant asked plaintiffs to identify the synergistic result of what was claimed in each claim of the patent in suit in Interrogatory No. 50.

XV.

Plaintiffs failed to provide any result in response to Interrogatory No. 50.

XVI.

Defendant moved for further answers and again plaintiffs had the opportunity to identify the synergistic result from that which was described in the patent in suit.

XVII.

Plaintiffs supplemented their response to Interrog-

atory No. 50 but again failed to provide any result suggesting synergism.

XVIII.

Defendant subsequently brought on the present motion for summary judgment for lack of invention in the patent in suit.

Conclusions of Law

I.

This Court has jurisdiction over the subject matter of this cause of action.

II. .

This Court has jurisdiction over plaintiffs and defendant.

III.

United States Letters Patent No. 3,027,610 was issued on April 3, 1962.

IV.

At all times material herein plaintiff Harry W. Stiritz, Jr. has been the Trustee of trust established by the Declaration of Trust dated July 15, 1970, by

the patent owner and plaintiff Osmose Wood Preserving Co. of America, Inc. has been the exclusive licensee.

V.

United States Letters Patent No. 3,027,610, and each of the claims thereof are invalid and void.

VI.

A patented combination must be viewed in its entirety as to patentability. The presence or absence of new elements in the combination is of no consequence unless there is created a patentable whole. *Great Atlantic & Pacific Tea Company v. Supermarket Equipment Corp.* (1950) 340 U.S. 147, 150; *Stukenborg v. Teledyne, Inc.* (9 Cir. 1971) 441 F.2d 1069, 1072).

VII.

The Supreme Court established a standard for patentability of claimed combinations in *Graham v. John Deere Co.* (1966) 383 U.S. 1, 15 L.Ed.2d 545. The scope and content of the prior art is first determined and applied to develop the differences between the prior art and the claims at issue. The ordinary skill in the pertinent art is also ascertained. From this, the legal conclusion of obviousness or nonobviousness of the subject matter of the claims in question is determined.

IX.

More recently, in *Sakraida v. AG PRO, Inc.* (1976) — U.S. —, 96 U.S. 1532, 47 L.Ed.2d 784, 189 U.S.P.Q. 449, the Supreme Court reiterated the test for claimed combinations. The test is one of law requiring that the patented combination claimed provides a synergistic result, a result having an effect greater than the sum of the several effects taken separately.

X.

The claims of the patent in suit are to a combination to which the standards of *Graham v. John Deere* and *Sakraida v. AG PRO* apply.

XI.

The clear relevance of the scope and content of the prior art referred to above and the level of skill necessary to effect the present invention relative to the level of skill in the field of pile protection as exhibited by the patents and articles before the Court make the invention of the patent in suit obvious in view thereof.

XII.

By plaintiff's own admission, prior art directed to barriers for pilings with space between the barrier

and the piling and restricted access thereto was known. This, along with the remaining art referred to above, made obvious the concept of creating a stagnant zone about a piling using plastic sheet drawn tightly thereabout.

XIII.

The claims of the patent in suit define a combination of elements wherein no synergistic result is realized.

XIV.

Plaintiff has been unable in response to interrogatories to identify any synergistic result realized by the combination of elements defined by the claims of the patent in suit.

XV.

Plaintiffs' counsel's assertion that synergism resides in the concept of creating a stagnant zone about a piling does not establish a synergistic result as the concept was taught in the prior art.

XVI.

There is no genuine issue as to any material fact and defendant is entitled to a judgment as a matter of law.

XVII.

Defendant is entitled to a judgment against plaintiffs that United States Letters Patent No. 3,027,619, and each of the claims thereof are invalid.

XVIII.

Defendant is entitled to recover from plaintiffs its costs incurred herein

Dated this ____ day of _____, 1977.

_____

UNITED STATES DISTRICT JUDGE

SUBMITTED BY:

_____

SUMMARY JUDGMENT

_____

DEFENDANT HAVING MOVED FOR A SUMMARY JUDGMENT, briefs having been filed, oral arguments having been had, the pleadings and other documents on file herein establishing that there is no genuine issue as to any material fact and that defendant is entitled to a judgment as a matter of law, findings of fact and conclusions of law being entered;

It is hereby ordered, adjudged, and decreed as follows:

1. This Court has jurisdiction of the subject matter of the cause of action raised by the Complaint on file herein and of the parties to these proceedings.

2. United States Letters Patent No. 3,027,610, issued April 3, 1962, for Method of Protecting Timbers Against Marine Borer Attack and each of the claims thereof are invalid and void.

3. The Complaint on file herein is dismissed with prejudice.

4. Defendant is entitled to recover from plaintiffs costs incurred herein in an amount to be determined by the Clerk of this Court in accordance with Rule 15 of the Central District of California, which amount when ascertained shall be entered in this judgment and become a part thereof.

Costs awarded: $_____

Dated this ____ day of _____, 1977.

_____
UNITED STATES DISTRICT JUDGE

SUBMITTED BY:

APPENDIX 2

UNITED STATES COURT OF APPEALS
FOR THE NINTH CIRCUIT

No. 77-2504

OSMOSE WOOD PRESERVING CO. OF AMERICA, INC. and HARRY W. STIRITZ, JR., Trustee of trust established by Declaration of Trust dated July 15, 1970 (Liddell Trust),

Plaintiffs-Appellants,

v.

CITY OF LOS ANGELES, CALIFORNIA,

Defendant-Appelee.

MEMORANDUM

Appeal from the United States District Court for the Central District of California.
Before: HUFSTEDLER and TANG, Circuit Judges, and SOLOMON,* District Judge

Osmose Wood Preserving Co. of America, Inc ("Osmose"), the exclusive licensee of patent No. 3,027,610, and Stiritz, trustee of the trust owning the patent in suit brought this action against the City of Los An-

*Honorable Gus J. Solomon, Senior United States District Judge, District of Oregon, sitting by designation.

geles for patent infringement. (Osmose and Stiritz will be referred to collectively as "Osmose.") The City averred that the patent was invalid under the provisions of 35 U.S.C. §§ 102 and 103. Osmose appeals from summary judgment in favor of the City invalidating the patent.

Osmose contends that material issues of fact foreclose summary judgment and that the undisputed facts did not sustain the district court's holding that the patent was invalid for obviousness under 35 U.S.C. § 103. Osmose also argues that procedural deficiencies prevented the district court from granting summary judgment.

The patent in suit claimed a method of protecting submerged wood pilings from marine borer attack by wrapping the pilings with strips of waterproof plastic material, thereby creating a pool of stagnant water around the pilings which killed marine borers by depriving them of oxygen. The protective covering also prevented new borers from reaching the pilings.

The patent in suit was a combination patent, and, as such, the patentee has an uphill battle to sustain the patent against the obviousness challenge. Unobviousness is a question of law, but that question cannot be resolved without examining the facts defining the scope and content of the prior art, the differences between the prior art and the claims in suit, and the level of skill in the pertinent art. (*Graham v. John*

Deere Co., 383 U.S. 1, 17 (1966); *Austin v. Marco Dental Products, Inc.*, 560 F.2d 966, 970 (9th Cir. 1977).) "A patent for a combination which only unites old elements with no change in their respective functions . . . obviously withdraws what it already known into the field of its monopoly and diminishes the resources available to skillful men." (*Great A. & P. Tea Co. v. Supermarket Corp.*, 340 U.S. 147, 152-53.) A combination patent does not avoid invalidity for obviousness even if the rearrangement of old elements performs "a more striking result than in previous combinations." *(Sakraida v. Ag Pro, Inc.*, 425 U.S. 273, 282 (1976).) Non-obviousness remains unachieved unless the result of the combination can be properly characterized as synergistic, "an effect greater than the sum of the several effects taken separately." (*Id.* at 282. *Accord: Satco, Inc. v. Transequip, Inc.*, 594 F.2d 1318 (9th Cir. 1979).)

No one can successfully contend that there was anything new about the knowledge that wood borers die without oxygen, or that stagnant water is oxygen-poor. Putting sleeves or other kinds of shields around wooden pilings to protect them from marine borers had been known for many years. The use of plastic in sheets or strips to protect the thing covered is also well known. The patent in suit did not claim any invention in creating a pool of stagnant water around a piling to deprive the borers of oxygen. Rather, the claim of non-obviousness was based upon the method of creating that pool of water by using plastic strips, which produced the same result as rubber sleeves, but

had the advantage over rubber sleeves of ease and economy of application.

No synergistic result was accomplished by the use of these several old elements. Any kind of shield placed around the piling in such a way as to contain water would produce results identical to a plastic wrapper: Marine borers surrounded by the stagnant water would die, and new borers could not get close to the piling. The creation of a stagnant water layer to prevent marine borers attack was known to the art long before the Osmose patent. The rubber sleeve method to accomplish that result was publicly used at the Tuna Club dock in Avalon in July, 1956, as Osmose acknowledged in its answer to interrogatory No. 67. Nothing new or surprising occurred when Osmose substituted plastic strips for rubber sleeves or tubes in creating stagnant water around pilings to kill marine borers. In short, there was no synergistic effect in the use of this combination of old materials.

Osmose attempts to avoid the requirement of synergistic effect by contending that "at least one element of the claimed combination was new, namely the provision of a stagnant water space around a wooden piling by means of a plastic sheet." The argument is unavailing because, as we have earlier noted, the Osmose patent did not make that claim. But, even if it did, Osmose cannot escape the combination of old elements law because neither the use of stagnant water space nor wrapping of the object to be protected by plastic is new. Osmose has tried to create a triable

issue of fact by claiming that the prior art failed "to disclose the concept of surrounding a wooden piling with a body of stagnant water to render the water lethal to marine borers." Osmose points to a finding by a United States District Court for the Northern District of California in a companion case that the prior art failed to make that disclosure. No triable issue is created by that finding, which necessarily depends on the art that was brought to the attention of the district court in that action. Osmose also relies on an affidavit of John W. Storer in which the affiant stated that a new element was the provision of stagnant water space around the wooden piling by means of a plastic sheet. The statement is a conclusion of law redefining the legal meaning of elements in a combination. Two old elements (stagnant water and wrapping objects in plastic) do not equal a new element, even if the old elements were used in a new combination and the results were more striking than prior combinations.

We cannot discover any prejudice to Osmose from the claimed failure of the district court to follow Local Rule 3 of the Central District of California. Osmose's method or process patent was entirely composed of old elements, and its rearrangement of those elements did not produce the requisite synergistic effect. No evidence could successfully have been offered by Osmose to prove that stagnant water, plastic sheets or strips to make a shield, shields, or wrapping methods were new.

AFFIRMED.

APPENDIX 3

In the
UNITED STATES COURT OF APPEALS
For the Seventh Circuit

No. 78-1846
AMP INCORPORATED, a corporation,
Plaintiff-Appellant

v.

BUNKER RAMO CORPORATION, a corporation
Defendant-Appellee

Appeal from the United States District Court for the Northern District of Illinois, Eastern Division.
No. 75 C 2204—Bernard M. Decker, *Judge.*

ARGUED FEBRUARY 23, 1979—DECIDED AUGUST 22, 1979

Before SWYGERT and SPRECHER, *Circuit Judges*, and NOLAND, *District Judge.**

NOLAND, *District Judge.* AMP, Inc., the owners of the Roberts patent, U. S. Patent No. 3,760,335, instituted this infringement action against the Bunker Ramo Corporation. Bunker Ramo counterclaimed alleging noninfringement and invalidity of the Roberts patent. After oral arguments, the district court entered a summary judgment for the defendant on May

*District Judge James E. Noland of the Southern District of Indiana is sitting by designation.

18, 1978, ruling the Roberts patent invalid after finding that it was a combination of prior art that failed to demonstrate a necessary synergistic effect. In light of this court's recent decision in *Republic Industries, Inc. v. Schlage Lock Company*, 592 F.2d 963 (7th Cir. 1979), we must find that the summary judgment was inappropriately granted.

In *Republic Industries*, this court addressed the recurring question of what criteria are to be applied in determing the nonobviousness of combination patent claims under section 103 of the Patent Act of 1952. 35 U.S.C. §103. Recognizing that the district courts of this circuit were increasingly taking the view that a demonstration of synergism and not the criteria set forth in *Graham v. John Deere Co.*, 388 U.S. 1 (1966), was the controlling test in determining the validity of combination patent claims, this court stated the following:

> [T]his court never intended that synergism be applied literally or that synergism is the *sine qua non* of patentability. Rather, the concept was employed only as a figure of speech to express that truism that when all the parts of a claimed invention are known, the combination (and the act of combining) is likely to be more obvious to one reasonably skilled in the art. *See Reeves Instrument Corp. v. Beckman Instruments, Inc.*, 444 F.2d 263, 271 (9th Cir.), *cert. denied*, 404 U.S. 951 (1971). However, because synergism has

> prevented the development of a consistent, predictable body of law under section 103, and because the concept does not bear any logical *ipso facto* relationship to obviousness, the term has little, if any, utility. Therefore until Congress shall otherwise specifically hold, this court will continue to apply the *Graham* analysis as the exclusive means by which to measure nonobviousness under section 103.

Republic Industries, 592 F.2d at 972 (footnote omitted). In fairness to District Judge Decker, we must point out as we did in *Republic Industries* that prior to that decision this court was less than clear and consistent in its expressed standards for judging the nonobviousness of combination patent claims. While the *Graham* criteria have always been explicitly or implicitly applied we, have also occasionally mentioned the prsence or absence of a requirement resembling synergism. *Republic Industries*, 592 F.2d at 971. In fact, the treatment of synergism as a separate and distinct prerequisite to establish the validity of a claimed combination patent can find support in our decision in *St. Regis Paper Co. v. Bemis Co.*, 549 F.2d 838 (7th Cir.), *cert. denied*, 434 U.S. 833 (1977). However, it is our recent clarifying pronouncement in *Republic Industries* against which we must now judge the district court's entry of summary judgment in this case. AMP, Inc., has raised several issues for our review; however, we find the synergism issue to be dispositive and therefore we need not discuss the remaining issues presented.

On October 7, 1977, the district court first considered and denied Bunker Ramo's motion for summary judgment by an order and accompanying memorandum opinion. Among the issues raised and discussed by the district court in denying Bunker Ramo's motion were the synergistic aspects of the Roberts patent and its obviousness under section 103. Within its opinion, the court stated it was undisputed that the Roberts patent is a combination of the prior art and as such would be patentable only if it produced some synergistic result. The court determined that the inventor's affidavit, stating the commercial embodiment of the Roberts patent demonstrated the requisite synergistic effect, was sufficient to establish a genuine material issue of fact for trial, thus preventing summary judgment upon this ground.

In a separately headed section of its memorandum, the district court went on to review the following factual inquiries set forth in *Graham* for determining the obviousness of claimed combination patents:

> Under § 103, the scope and content of the prior art are to be determined; differences between the prior art and the claims at issue are to be ascertained; and the level of ordinary skill in the pertinent art resolved.

Id. at 17. The district court determined that there are no genuine issues of material fact as to the scope and content of the prior art, or as to the differences

between the prior art and the claims at issue. However, the court did state that it found a genuine issue of material fact exists concerning the level of ordinary skill in the art pertinent to the Roberts patent. Thus, the court stated it was unable to grant Bunker Ramo's request for summary judgment on the ground that the Roberts patent was obvious under section 103.

On May 18, 1978, following oral arguments upon Bunker Ramo's motion to reconsider, the district court vacated its order of October 7, 1977, granted Bunker Ramo's motion for summary judgment, amended its memorandum opinion, and entered judgment accordingly. The court's reversal of its previous decision was based upon its determination following rehearing that the inventor's affidavit claiming that a synergistic effect is demonstrated by the commercial embodiment of the Roberts patent could not serve as the basis for validity when the claimed effect was not disclosed by the patent itself. In other words, AMP, Inc. failed to establish a prima facie showing that their patent produced a synergistic effect.

Without further discussion of the district court's finding upon rehearing, we must conclude that summary judgment was inappropriately granted. It is axiomatic that summary judgment is inappropriate when there are genuine issues of material fact. And, particularly in patent cases, genuine issues of fact usually emerge, requiring a full trial. See *Techno-*

graph Printed Circuits v. Methode Elec., Inc., 356 F.2d 442 (7th Cir. 1966). That is the situation in the instant case.

Left unaltered by the court's May 18, 1878, order and amended memorandum opinion is its determination that a genuine issue of material fact exists concerning the level of skill in the art pertinent to the Roberts patent, which remains a necessary factual inquiry under *Graham* for determining whether the Roberts patent is obvious under section 103. We must conclude, therefore, that the district court's entry of summary judgment was based upon the premise that a demonstration of synergism is a necesary and seperate prerequisite to a demonstration of nonobviousness under section 103 for establishing the validity of a claimed combination patent. Although such a premise was arguably supportable at the date of District Judge Decker's decision, it is now in conflict with our decision in *Republic Industries.*

Because the district court's own findings other than those relating to its now-erroneous view of the synergism test establish that a genuine issue of material fact remains for trial, we cannot conclude that Bunker Ramo is properly entitled to summary judgment. For this reason, we must REVERSE the judgment of the district court and REMAND this cause for further proceedings and trial.

Circuit Rule 18 shall apply.

REVERSED AND REMANDED.

A true Copy:
Teste:

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Clerk of the United States Court of Appeals for the Seventh Circuit

Supreme Court, U. S.
FILED
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MICHAEL RODAK, JR., CLERK

IN THE

Supreme Court of the United States

October Term, 1979
No. 79-812

OSMOSE WOOD PRESERVING CO., OF AMERICA, INC., *et al.*,
Petitioners,

vs.

CITY OF LOS ANGELES, California, a municipal corporation,
Respondents.

Opposition to Petition for Writ of Certiorari to the United States Court of Appeals for the Ninth Circuit.

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February 1980

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I.

Statement of the Case.

The patent involved in this litigation is directed to a method to prevent marine borers from attacking submerged wooden pilings by wrapping same in plastic, much the same as a sandwich may be wrapped to protect same from insects. The subject matter could not be simpler or more obvious. During discovery, the Patentee refused repeatedly to advise whether any result was obtained from the steps set forth in the claims which could be tested under the various controlling decisions of this Court. The patentee's refusal to make such discovery resulted in the trial court's holding upon summary judgment that the patent was invalid under 35 U.S.C. §103 as failing to meet the standards set forth

in *Graham v. John Deere Co.*, 383 U.S. 1; *Great Atlantic and Pacific Tea Co. v. Supermarket Equipment Corporation*, 340 U.S. 147 and *Sakraida v. Ag Pro, Inc.*, 425 U.S. 273.

II.

Argument.

Upon appeal, the Ninth Circuit affirmed after carefully pointing out each of the steps claimed in the method were old and the items urged by the Patentee upon appeal as new, were in fact not new. As of this date the Patentee has not identified any theory upon which his specific process of wrapping plastic around a submerged piling differs patentably from the various methods by which the identical result was obtained by the prior art.

Accordingly, in order the Appellate Court determined that the patent in suit did not meet the standards of patentability under *Graham v. John Deere Co.*, 383 U.S. 1; *Great Atlantic and Pacific Tea Co. v. Supermarket Corporation*, 340 U.S. 147, or *Sakraida v. Ag Pro, Inc.*, 425 U.S. 273.

The Appellate Court made no effort to suggest that there was any difference or conflict between these three decisions or in any way indicated its decision conflicts with the Seventh Circuit in *A.M.P. Inc. v. Bunker Ramo Corp.*, referred to in the Petition For Writ of Certiorari which decision was not cited or mentioned in the proceedings before the Appellate Court.

Thus it seems clear that the Ninth Circuit in this case in effect applied the same criteria as the Seventh Circuit in reaching its conclusion. If any intention to repudiate or conflict with same, the court should have had this argument presented to it and be given an opportunity to so state as apparently the Second and Tenth Circuits have in *Champion Spark Plug Co. v. Gyromat Corp.*, 202 U.S.P.Q. 785 and

Plastic Container Corp. v. Continental Plastics of Oklahoma, 203 U.S.P.Q. 27 referred to on page 8 of the Petition.

Thus, this action does not present any conflict between the Circuits as the Ninth Circuit applied the *Graham* test and found the patent invalid. Although it went on to point out that the patent failed to meet also the language in *A&P* as well as *Sakraida*, this does not present a direct conflict between the Circuits and this Court can dispose of the case without having to resolve any asserted conflict.

Conclusion.

Assuming for the sake of argument that a conflict exists between the Seventh Circuit on the one hand, and the Second and Tenth Circuits upon the other, this case is not the proper vehicle for determination of same. The Ninth Circuit did not have such asserted conflict urged before it nor an opportunity to pass upon the questions. If the Court does determine that it should again review the test for patentable invention, this case is not the proper vehicle, as it can and should be disposed of before any such determination is reached.

Dated: February 1980.

Respectfully submitted,

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